

Reclamation Manual

Reclamation Acquisition Regulation System

401 DM Addition to FAR & DIAR

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PART WBR 1416 -- TYPES OF CONTRACTS

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PART WBR 1416**TYPES OF CONTRACTS****SUBPART WBR 1416.5 -- INDEFINITE-DELIVERY CONTRACTS****WBR 1416.501-2 General.**

(a) The total of the base and any option periods in indefinite-delivery contracts shall not exceed the limits in FAR 17.204(e).

(b) The following amounts shall be used for the purpose of determining dollar amounts in connection with threshold requirements for review and approval requirements --

(1) For a requirements contract, the estimated total contract amount which corresponds to the amount required by FAR 16.503(a)(1) including any options; and

(2) For an indefinite-quantity contract, the amount which corresponds to the stated maximum required by FAR 16.504(a)(1) including any options.

WBR 1416.504 Indefinite-quantity contracts.

(a) Rates specified in indefinite-quantity contracts shall include all applicable direct and indirect costs (e.g., labor, materials, transportation, overhead, G&A expense, and profit or fee).

(b) Pursuant to Interior Board of Contract Appeals decision 1828, dated April 1, 1986, the CO shall insert language substantially the same as follows in stating the minimum quantity required by FAR 16.504(a)(1) in the solicitation and resulting contract --

"Government liability for payment resulting from failure to order the specified minimum quantity set forth in this contract shall be determined in accordance with the clause entitled Termination for Convenience".

SUBPART WBR 1416.6 -- TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS**WBR 1416.603 Letter contracts.****WBR 1416.603-3 Limitations.**

The CCO is authorized to approve the written determination, required by FAR 16.603-3, that no contract type other than a letter contract is suitable.